

Release **B2W 4Q20**

Earnings Release

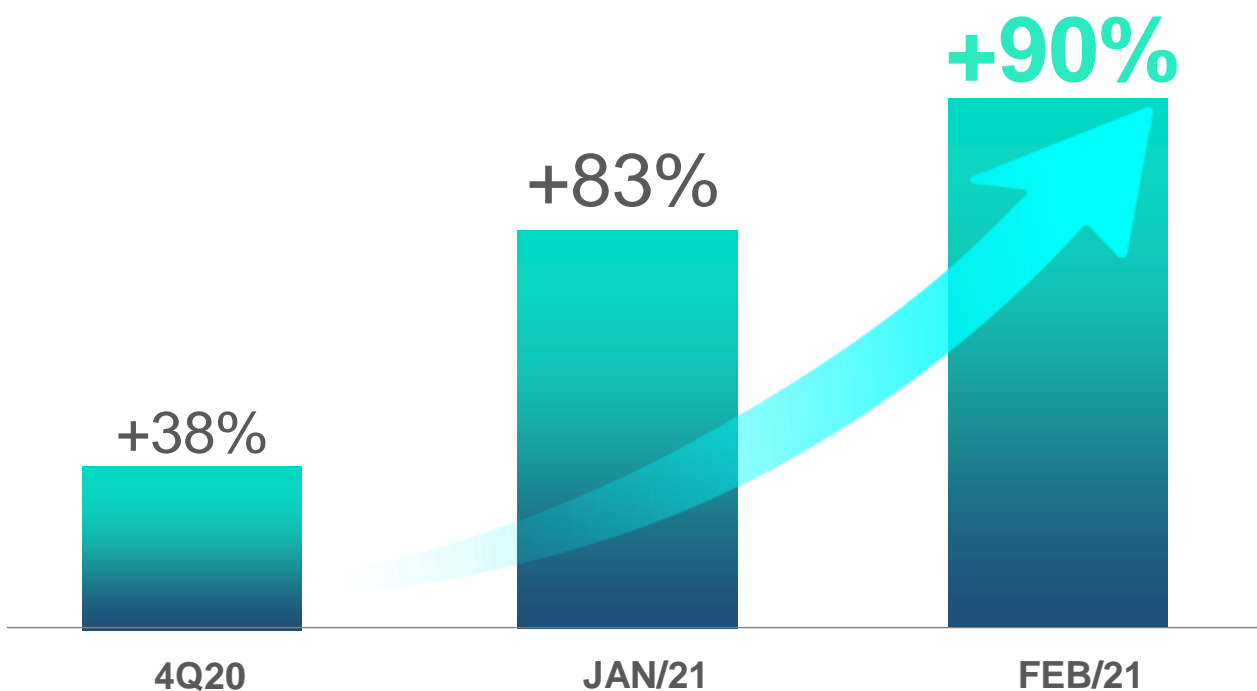




B2W DIGITAL ANNOUNCES CASH GENERATION OF R\$ 718 MM AND NET INCOME OF R\$ 16 MM IN 4Q20

In line with our new growth route for 2021, we have already shown a significant acceleration in Jan/21 and Feb/21, driven by the strong performance of the Marketplace.

GMV Growth





MESSAGE FROM MANAGEMENT

In 2020, we started the integrated strategic plan of the Americanas Universe for the next 3 years (2020-2022), which aims to be more relevant in the daily lives of our customers, offering: Everything. Anytime. Anywhere. Throughout the year, we have faced a challenging scenario due to the COVID-19 pandemic, which has brought enormous learning and motivated us to be even more agile, seeking innovative solutions to better serve the customer.

As a result, we have evolved to offer a more convenient and integrated experience for the customer, entering new categories, and delivering faster. Throughout 2020, our customer base reached 21.4 MM, gaining 5.4 MM new active customers (5 years of growth in 1). Our total GMV reached R\$ 27.7 Bn for the year, and we had cash generation of R\$306 MM (+61% vs. 2019).

The year of 2020 was also marked by our entry into the grocery category, through the acquisition of Supermercado Now, and through the rapid integration process with Americanas.com, the category has already become the largest in units sold. For 2021, we will continue to expand the grocery category with the integration of new partner stores, such as Carrefour, and Grupo Big, among others.

Another highlight was the rapid growth of O2O, which is already present in more than 5,000 stores of Americanas and Marketplace Sellers, generating GMV of R\$ 3.7 billion in 2020 (+95% vs. 2019). The integration with Americanas made it possible to deliver 6.9 MM (11% of the total) deliveries within 3 hours during 2020. In 2021, delivery within hours will be one of our priorities.

Additionally, another initiative to reduce delivery times was the expansion of our logistics network, with the opening of 5 new Fulfillment Centers (FCs), all of which are located in new states. With this, we ended the year with a total of 22 FCs located in 12 states, allowing for delivery within 24 hours to more than a thousand cities.

Reinforcing our commitment to offer the best shopping experience on the Brazilian internet, we brought a new sales model to the country with Live Commerce (Americanas ao Vivo), which combines Shopping and Entertainment, and included the participation of several digital influencers for live product demonstrations.

As a result of these initiatives, the customer continues to recognize our brands as the most beloved on the Brazilian internet. We have the highest NPS in the eCommerce sector (8.8 – Source: Reclame Aqui), both in the 1P and 3P operations, and recently were recognized as the top marketplace, having received the RA 1000 seal from Reclame Aqui for the Americanas.com brand.

The year of 2020 was also marked by the rapid growth of Ame, our mobile business platform, which has already reached 17 MM downloads. Throughout the year, we established several strategic partnerships, accelerating the acceptance outside our platform, with a total of approximately 3 MM establishments. Ame continues to evolve in the strategy of building the financial platform and expanding the Americanas Universe to new business models. Accordingly, Ame made two important acquisitions: BIT Capital (Fintech specialized in Core Banking solutions) and Parati (Bank as a Service & RegTech).

In 2021, we started a new growth route, already showing a significant acceleration in Jan/21 (+83%) and Feb/21 (+90%), driven by the strong performance of the Marketplace, and we are extremely motivated to anticipate our 3 year strategic plan (2020-2022). In this new journey, we will develop and expand our reach beyond eCommerce, entering with scale and speed in new segments, generating growth, profitability, and powerful network effects.

Accordingly, as disclosed in a Material Fact (02/19/21), the Boards of Directors of Americanas and B2W approved the study of a potential operational combination of businesses, with the objective of maximizing the customer experience and a new journey of value creation in the Americanas Universe.

We remain firm in our purpose of **CONNECTING PEOPLE, BUSINESS, PRODUCTS AND SERVICES**, and above all, fulfilling our important social role in the country during this moment of uncertainty.

We take the opportunity to thank our team for their engagement and dedication. We also thank our suppliers, Marketplace Sellers, and, above all, our Customers.

Marcio Cruz, CEO - B2W Digital



KEY INDICATORS	4Q20	4Q19	Delta	2020	2019	Delta
Total GMV (R\$ MM)	9,184	6,647	+38.2%	27,721	18,778	+47.6%
Marketplace (R\$ MM)	5,590	4,267	+31.0%	16,821	11,589	+45.1%
Marketplace (% of Total GMV)	60.9%	64.2%	-3.3 p.p.	60.7%	61.7%	-1.0 p.p.
Assortment (Items/MM)	87.2	29.5	+57.7	87.2	29.5	+57.7
# Sellers (New/Thou)	7.4	8.1	-0.8	40.4	24.9	+15.5
# Sellers (Base/Thou)	87.3	46.8	+40.5	87.3	46.8	+40.5
Mobile (% of Traffic)	83.0%	80.1%	+2.9 p.p.	82.0%	76.7%	+5.3 p.p.

4Q20 HIGHLIGHTS

Potential business combination: Americanas and B2W

Americanas and B2W announced the beginning of analyses for a potential operational combination of businesses, with the objective of maximizing the customer experience in a new journey of value creation in the Americanas Universe.

Bond issuance of US\$ 500 MM

B2W Digital successfully debuted on the international market with the issuance of bonds in the amount of US\$ 500 MM and a 10 year term, in order to optimize the capital structure.

Active Customers: 21.4 MM

B2W Digital reached 21.4 MM active customers (at least one purchase in LTM) in 2020 (+5.4 MM vs. 2019).

Live Commerce (Americanas ao Vivo)

B2W Digital held 30 lives in 4Q20 with influencers and Marketplace Sellers. With over 35 hours of content, we attracted 495 thousand unique visits and 70 thousand orders.

Fast Delivery

In 4Q20, we completed 1.9 MM deliveries within 3 hours (11.5% of the total). Deliveries within 24h (Same Day) represented 40% of the total.

5 new Fulfillment Centers (FCs) in 2020

LET'S opened 5 new FCs, reaching a total of 22 FCs in 12 States, and accelerated the automation plan with 7 FCs equipped with sorters at the end of the year.

Expansion of Americanas Mais

The loyalty program that offers free shipping and fast delivery has been expanded throughout Brazil and become free for all customers of Americanas.com. Customers will also have access to other benefits in a gamified way, such as streaming and special offers, stimulating purchase frequency and loyalty.

New Marketplace platform

In Jan/21, the B2W Marketplace announced the launch of a new platform to increase the competitiveness of Sellers and improve service levels. The new policies for commission structures, order cancellation, and free shipping already went into effect, with benefits for Sellers according to their service levels.

B2WADS: +219% in 4Q20

Revenue from B2WADS increased 219% in 4Q20 (vs. 4Q19) and showed an important improvement in profitability. B2WADS is a complete advertising platform focused on leveraging the scale of partners, including Sellers and Suppliers.

Ame: TPV of R\$ 5.9 Bn in 4Q20

The TPV of Ame continued to grow rapidly, reaching R\$ 5.9 Bn in 4Q20 (+202% vs. 4Q19).

Ame: Acquisitions of Bit Capital and Parati

In order to accelerate its development and maximize business fronts, Ame announced the acquisitions of Bit Capital (Fintech specialized in Core Banking solutions) and Parati (BaaS & RegTech).



FINANCIAL HIGHLIGHTS

The financial information serving as the basis for the comments below refer to 4Q20, and are in compliance with international financial reporting standards (IFRS), the standards issued by the Securities and Exchange Commission of Brazil (CVM), as well as the listing regulations of the Novo Mercado and in Brazilian reais (R\$). Definitions for adjusted financial metrics can be found in Annex III and Annex V.

- **Total GMV:** In 4Q20, total GMV of R\$ 9,184.3 million, an increase of 38.2% compared to the R\$ 6,647.5 million registered in 4Q19. For 2020, total GMV reached R\$ 27,721.1 million, 47.6% higher than the R\$ 18,777.5 million in 2019.
- **Gross Revenue:** In 4Q20, gross revenue totaled R\$ 4,161.7 million, an increase of 48.3% compared with the R\$ 2,806.7 million registered in 4Q19. For 2020, gross revenue of R\$ 12,596.1 million represented an increase of 50.7% compared with the gross revenue of R\$ 8,357.4 million in 2019.
- **Net Revenue:** In 4Q20, net revenue totaled R\$ 3,330.5 million, an increase of 50.0% when compared to the R\$ 2,220.1 million registered in 4Q19. For 2020, net revenue reached R\$ 10,124.3 million vs. R\$ 6,661.7 million in 2019, corresponding to an increase of 52.0%.
- **Adjusted Gross Profit:** In 4Q20, the adjusted gross profit totaled R\$ 1,095.6 million, an increase of 50.4% vs. the R\$ 728.4 million registered in 4Q19. The adjusted gross margin was 32.9% in 4Q20 vs. 32.8% in 4Q19. For 2020, the adjusted gross profit was R\$ 3,220.2 million, representing an increase of 50.3% in relation to the R\$ 2,142.9 million in 2019, with gross margin going from 32.2% in 2019 to 31.8% in 2020.
- **Adjusted Selling, General and Administrative (SG&A) Expenses:** In 4Q20, SG&A expenses totaled R\$ 709.9 million, which represented 7.7% of GMV, an increase of 0.6 p.p. compared to the 7.1% in 4Q19 when the SG&A expenses totaled R\$ 474.1 million. For 2020, expenses amounted to R\$ 2,269.9 million, which corresponds to 8.2% of GMV, unchanged off of the R\$ 1,542.9 million SG&A in 2019.
- **Adjusted EBITDA:** In 4Q20, Adjusted EBITDA reached R\$ 385.7 million, an increase of 51.7% compared to the R\$ 254.3 million registered in 4Q19. Adjusted EBITDA margin went from 11.5% in 4Q19 to 11.6% in 4Q20, an expansion of 0.1 p.p. For 2020, Adjusted EBITDA was R\$ 950.2 million, representing an increase of 58.3% in relation to the R\$ 600.1 million in 2019, with Adjusted EBITDA margin moving from 9.0% in 2019 to 9.4% in 2020, an increase of 0.4 p.p.
- **Other operating income (expenses):** In 4Q20, the other operating income (expenses) reached R\$ 16.9 million, vs. the R\$ 6.7 million registered in 4Q19. For 2020, the total of R\$ 75.6 million compares to the R\$ 46.6 million in 2019.

The growth in other operating income (expenses) line is related to non-recurring expenses due to COVID-19, including employee testing, distribution of PPE, donations, among others.

- **Net Financial Result:** In 4Q20, the net financial result was R\$ -108.1 million vs. R\$ -137.9 million in 4Q19, an evolution of 21.6%. For 2020, the net financial result was R\$ -430.3 million, while in 2019 it was R\$ -603.9 million, an evolution of 28.7%.
- **Net Result:** In 4Q20, the net result was R\$ 15.6 million vs. R\$ -22.3 million in 4Q19, an increase of 170.2%. The net margin showed an evolution of 1.5 p.p., from the -1.0% in 4Q19 to 0.5% in 4Q20. For 2020, the net result was R\$ -203.8 million, representing an improvement of 48.0% in relation to the R\$ -391.6 million in 2019, with net margin presenting an evolution of 3.9 p.p., from -5.9% in 2019 to -2.0% in 2020.

- **Cash Management:**

- **Cash Generation:** In 4Q20, cash generation was R\$ 718.3 MM, and on an accumulated basis for the year 2020, it was R\$ 305.7 MM. The evolution of cash generation by the company is associated with the continued strength of the Marketplace and the constant efficiency gains of the 1P operation, with a focus on curating the assortment to maximize results.

As a way of capturing all the effects, cash generation or consumption is measured by the variation in net debt in relation to the previous quarter, always disregarding any resources from capital increase operations.

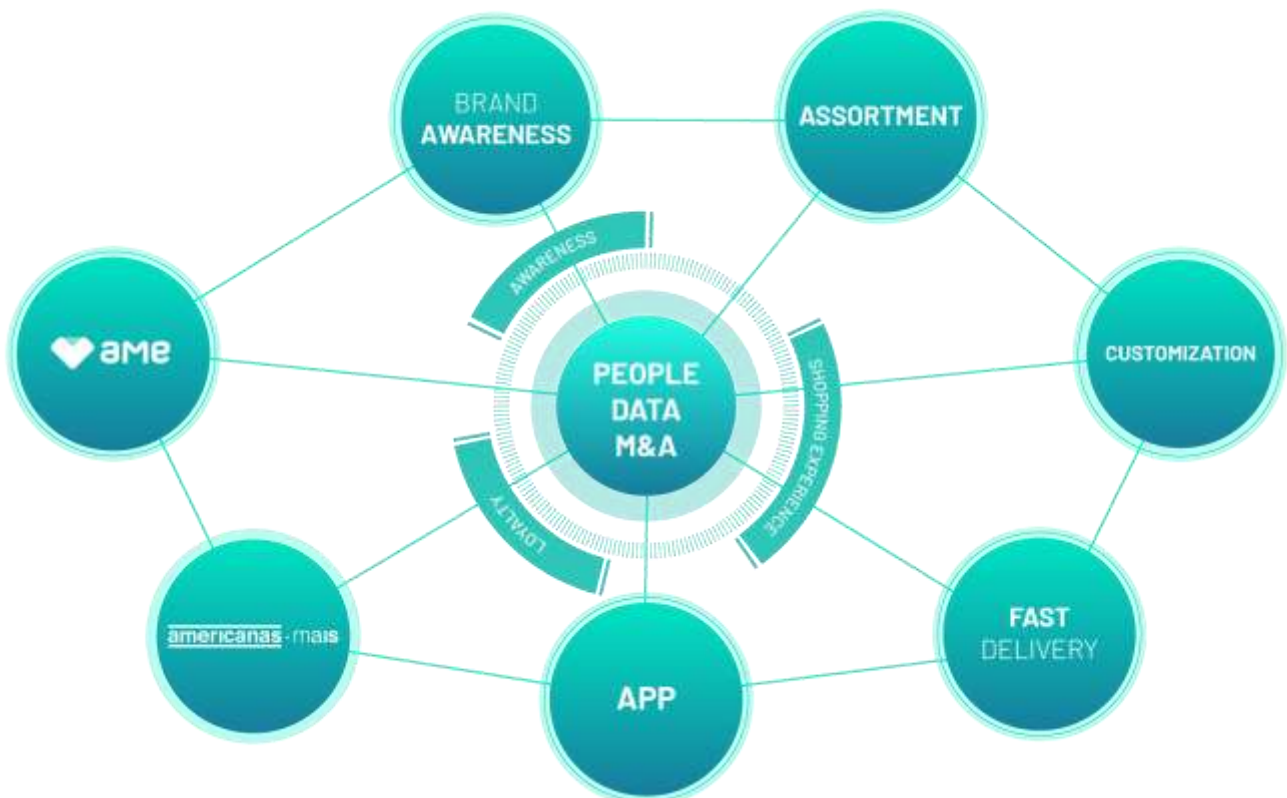
- **Working Capital:** -31 days in Dec/20. This result reflects the curation and review process of the 1P assortment, the optimization in the purchase and planning of merchandise, as well as the continuous growth of the 3P (Marketplace).

It is important to remember that Marketplace (whose credit card transactions are approved on the B2W platform and make up the gross balance of receivables) does not demand Working Capital (B2W is an intermediary and receives a commission on realized sales).

- **Investments:** B2W uses its cash generation by prioritizing investments that present optimal returns to shareholders. Accordingly, total investments including CAPEX totaled R\$ 184.7 MM in 4Q20, representing 2.0% of Total GMV in the quarter. On an accumulated basis for the year 2020, CAPEX totaled R\$ 698.3 MM, corresponding to 2.5% of GMV.

Growth Algorithm

In line with the new growth route for 2021, we optimized our growth algorithm with a focus on maximizing the shopping experience of the customer through 3 elements: Awareness, Purchase Experience, and Loyalty. With this objective, we defined 7 variables that will guide our actions: Assortment, Personalization, Fast Delivery, APP, Americanas Mais, Ame, and Brand Awareness. We will continue invest intensively in people, data culture, and possible strategic acquisitions, as a way to support the operation of the algorithm. The expressive acceleration of growth in Jan/21 (+83%) and Feb/21 (+90%), already demonstrate the result of the various initiatives underway at the Company.





- **Assortment**

- Offers: The number of items offered on the sites totaled 87.2 million exiting 4Q20, an increase of 196% vs. 4Q19, driven by Marketplace.
- Items sold: The total items sold in 4Q20 increased by 68% vs. 4Q19, driven by Marketplace and long tail categories.
- Americanas Mercado: The category grew 8.8x in 4Q20 and consolidated itself as the largest at B2W in terms of items sold and is one of the 10 largest in GMV. It continues its rapid geographic expansion through partnerships such as Carrefour and Grupo Big, with availability in 61 cities in the states of SP, RJ, ES, MG, RS, and BA. Throughout the year, the category grew by 503% in the number of registered customers, reaching a base of 1.9 MM in December/20.
- Cross Border: The Cross Border operation allows for customers to buy products from around the world (including USA and China), creating a new growth front for the B2W Marketplace. Launched in Mar/19, the operation continued to develop rapidly.
 - Americanas Mundo showed total GMV growth of 170% in 2020.
 - Americanas Mundo had the best selling item on Black Friday of 2020. During the peak of the events operation, Americanas Mundo reached 50% sales at Americanas.com.
- Americanas Empresas (corporate sales): The B2B sales platform, dedicated exclusively to serving corporate clients (legal entity with CNPJ), which aims to bring more facilities to companies, offering all the benefits of the Americanas Universe.
 - Throughout the year, the operation showed strong growth in the sale of items for home office. In Nov/20, the brand registered growth of 171% in sales compared to the same month of last year. Part of the growth was derived from greater demand for notebooks and telephony.
 - In addition, Americanas Empresas has made it easier for thousands of companies to meet the demand for Christmas gifts. For this, we launched the campaign, "Gift who makes your company happen" in which one of the novelties was the option of delivering the same purchase of gifts to multiple addresses.

- **Personalization and UX:**

- Recommendation: We implemented a new configuration of hotspots to recommend products in a personalized way, initiating actions for customer retention.
- Search Engine: Intensive use of technology to design a new solution for page titles and descriptions, making information more clear to customers and providing a better experience in search engines.
- New Seal and Fast Shipping search Filter: With the new filter on the websites and Apps, customers can select to search by the products that have faster delivery times, improving the shopping experience and the conversion.
- New product pages on Submarino and Shoptime: With a new layout for the product page in Submarino and Shoptime, we offer a simpler experience with more integrated information.
- Integration of FAQ with chat: To facilitate self-service flows, we activated the FAQ integrated with chat, promoting content that helps the customer to solve uncertainties about the purchase flow in a fast, direct, and personalized way.
- Recommendation of O2O items: Our recommendations began to consider the region of the user to recommend products more intuitively and optimize the calculation of freight costs. In addition, we designate products available for same day delivery.
- Submarino and Shoptime O2O: The assortment of Americanas stores was enabled at Submarino and Shoptime, allowing customers to receive their products within 3 hours or pick up at the store on the same day.



- Checkout: We restructured the brands' payment pages with technical optimizations. There was a performance gain of 67% and a 1.6% increase in the conversion rates.

- **Fast Delivery**

The deliveries of B2W are operated by LET'S, a shared management platform for the logistics and distribution assets of the Americanas Universe. LET'S optimizes the operations of the physical and digital platforms through a flexible model, from order receipt to delivery, generating operational efficiencies, important synergies and optimizing the customer experience.

- Consolidated Delivery Time: In 4Q20, we completed 1.9 MM deliveries within 3 hours (11.5% of the total). Deliveries within 24 hours (Same Day) accounted for 40% of the total.
- Fulfillment Centers: LET's operates 22 FCs in 12 states (BA, CE, MG, PA, PE, PR, RJ, RS, SC, SP, DF, and ES).
- B2W Entrega: Reached more than 85 thousand Sellers exiting 4Q20, representing 97.5% % of the total Seller base and participating in more than 80% of orders placed on the Marketplace.
 - B2W Fulfillment: Connection of more than 3 thousand Sellers with their inventory operated by the platform, including names such Polishop, Estrela 10, and Americanas, ensuring shorter delivery times and more competitive freight costs. Through B2W Fulfillment, the customer gets the best shopping experience, where the entire logistics process (inventory, transportation and fulfillment) is operated by B2W. We expanded the offer of storage space and started to operate for Sellers in the states of PE, RJ, RS, and SP.
 - B2W Delivery: New freight service for international Sellers, which is already responsible for 92% of Cross Border deliveries in 4Q20. The service allows for greater control of the operation, with a 50% reduction in delivery time, and a better service level.

- **Apps: Mobile Platforms**

- Apps: 124 million downloads of the brands apps since inception. In 2020, our apps totaled 62 MM downloads and the Americanas App was the most downloaded in the shopping category (Source: App Annie).
- Traffic: Throughout 4Q20, traffic via mobile devices represented 83% of total visits, an increase of 1.5 p.p. compared with 4Q19.
- #LevelUp: With the improvement of the Americanas App, through the efforts of the SEO team in optimizing the app stores for the user, the Americanas app was the most downloaded in Brazil in the shopping category on Black Friday 2020, according to data from App Annie.
- MAU: In 4Q20, the brands apps totaled 39.7 million active users (Monthly Active Users – Source: App Annie).

- **Americanas Mais**

The loyalty program of Americanas (free shipping and other benefits) started a new expansion phase and is now free for the entire customer base. With the change, all brand customers can enjoy free shipping on millions of products (identified by the "Amais" label), in addition to fast delivery within 24 hours to different locations. The program also began nationwide coverage – an expansion beyond the previous South and Southeast regions of the country. In addition to free shipping and fast delivery, Americanas Mais will offer more benefits in a gamified manner (streaming, content, and more), stimulating purchase frequency and loyalty.

- **Ame Digital:**

Ame is one of the first initiatives of IF – Innovation and Future, the innovation engine of the Americanas Universe and responsible for building disruptive businesses and leveraging several initiatives within Americanas and B2W. The main verticals of IF include: Accelerate existing initiatives, incubate new businesses, invest in startups (venture capital), develop retail technologies, and prospect new opportunities, including M&A operations.



Ame, a Fintech and mobile business platform, continues to develop rapidly, reaching 17 million downloads and 3 million establishments connected (off-us).

- TPV in 4Q20 reached R\$ 5.9 billion, +202% vs. 4Q19.
- Ame has more than 70 functionalities, with the goal of further simplifying the customers' lives. In 4Q20, we delivered new features, such as: (i) insurance, including residential and health; (ii) Ame credit card in partnership with Bank of Brazil; (iii) integration with Getnet, and (iv) bill payments (boleto) with Ame.
- Ame was conceived Pix *native* and has been developing technologies to implement this new payment method in the physical and digital worlds. Thus, in Dec/20, Americanas.com was the pioneer in the use of Pix with eCommerce.
- We accelerated the expansion of off-us in establishments with high recurrence, such as gas stations, supermarkets, and pharmacies, creating partnerships with large chains and those establishments with close proximity to Americanas stores, expanding our capillarity and making the store a hub for acceptance and the use of cashback.
- We progressed with the BR Distribuidora partnership, which contributed to off-us TPV growth, frequency of use and new customers, generating additional sales for the Americanas Universe and reinforcing the awareness of the Ame brand throughout the country.
- In Oct/20, the Ame credit card issued by Bank of Brazil was launched. The product has unique benefits, can be exempt from annual fees and includes automatic approval. The credit card is digital-first and can be issued, within 9 minutes, through the Ame app and in Americanas stores.
- In Dec/20, Ame acquired BIT Capital (Fintech specialized in Core Banking solutions) and Parati (BaaS & RegTech), two important acquisitions that will contribute to the development of new business and monetization lines of the platform.
- Ame launched its first trainee program ("Traineeenja"), with the goal of attracting new talent with UX skills, data, technology and innovation.
- Ame Flash, a crowdshipping platform that connects independent couriers (motorcycles, bicycles, and other modes), ended 4Q20 with presence in more than 700 cities and more than 25 thousand couriers connected (vs. 800 couriers in December/19).

• Brand Awareness

- Americanas continues to be the brand most remembered by online consumers in the country. In a survey by Ilumeo in Dec/20, Americanas registered 94% brand awareness among eCommerce users throughout all of Brazil.
- Americanas in BBB 21: In order to promote brand awareness in high recurrence categories, we are sponsoring BBB, for the second consecutive year, including Americanas Mercado, demonstrating the operations attributes, such as 100% online purchasing and same day delivery.
- SEO: We were designated in the study "The most present domains in the top 10 Brazil", which was conducted by SEO specialist company, Conversion, as being awarded the first position for the Americanas brand and in the Top 5 with Submarino and Shoptime.

Talent

B2W Digital increasingly invests in attracting, retaining and developing its talent, as well as strengthening its organizational culture and corporate identity. In a very challenging year, the Company transformed its recruitment and selection programs to a 100% online model. In view of the increasing demand for qualified professionals to work in the digital market, B2W Digital intensified the development of competence, seeking to value and train its internal team to leverage the results even more.

- "Great Place to Work 2020" Certification: As a result of B2W Digital's commitment to the development of the Company's talents, we received certification in Jan/20. This is an important recognition of the effort to keep evolving and engaging the team to achieve increasingly challenging goals, always focusing on the customer.
- Corporate University launch (B2W Move): A major milestone in 2020 was the launch of our Corporate University, B2W Move. Its purpose is to boost an ecosystem that combines knowledge, learning and development, strengthening the organizational culture with innovation, data analysis, digital mindset, continuous learning, and diversity.



- **Data Academy:** Data and “people” are at the center of our growth algorithm. The training of associates is the main guideline of this trajectory. The Academy offers two classes at different levels of maturity in the use of data and promotes a complete training that includes both statistical concepts, tools, coding, and data storytelling.
- **B-Talks:** In 2020, B-Talks, panel format events in which associates are interviewed and present Company projects, which are generally interdisciplinary, explored major projects that are most relevant of the year to accelerate our growth– Supermercado Now, online to off-line initiatives, international business (cross border and our own brands) and Americanas Mais.

ESG

• **Environment, Social and Governance (ESG)**

Inline with our long-term strategy, we continue to evolve on ESG fronts in accordance with the principals of the Global Compact and the 2030 Agenda of the United Nations (UN).

- **COVID-19 Donations:** Since the beginning of the pandemic, the Americanas Universe has donated R\$ 74 million to mitigate the effects of COVID-19, including i) R\$ 5 million donation for the construction of the Butantan Institute vaccine factory, which will operate with a production capacity of up to 100 million doses per year; ii) logistics support in Manaus, in partnership with the Amazonas Sustainable Foundation (FAS), the Global Compact Brazil Network, Unicef, and artists; iii) donation of 6 oxygen plants to Manaus, together with a coalition of companies, through the Juntos pelo Amazonas initiative; iv) support the Xingu region with the donation of inputs and logistical services to the Association of Residents of the Iriri River Reserve.
- **Sustainability Index:** For the seventh consecutive year, B2W was selected to the ISE portfolio, B3's Corporate Sustainability Index, which assesses companies' commitments to sustainable development and recognizes those that promote best practices. We were also again selected to compose B3's ICO2 (Carbon Efficient Index) portfolio, reinforcing our commitment to climate management.
- **Transparency Trophy 2020:** B2W was recognized by the National Association of Finance, Administration and Accounting Executives (ANEFAC) with the Transparency 2020 Trophy. Based on FIPECAFI's technical analysis of the 2019 financial statements, the award recognizes practices of transparency to the market and the clarity of the information provided.
- **Pacts, commitments and ethics:** As a way to continue the commitment to the “Business Coalition for Racial and Gender Equity”, we were present at the Afropresence event, promoting job opportunities for young black women and black university students. We are also part of the Women Empowerment Principals, UN Women, the Business Pact for Integrity and Anticorruption, and the "Business Charter for Human Rights and the Promotion of Decent Work", both from the Ethos Institute.
- **Social Impact:** In partnership with the NGO HumaniTI and support from BNDES, through the Connected Education Innovation Program, launched by MEC, we continued the investments to include technology and generate opportunities and autonomy for the 37,700 students in Osasco (SP).
- **Jirau da Amazônia:** Created in June 2019 in partnership with Amazonas Sustainable Foundation (FAS), the "Jirau" is a Marketplace where artisans and entrepreneurs from traditional and indigenous populations of the Amazon Forest sell their products to all of Brazil with 100% of the sale reverted to the development of the project.
- **Environmental Management:** B2W Digital won, for the fourth consecutive year, the Gold Seal of the Brazilian GHG Protocol Program. 10 years ago, we declared emissions in accordance with the Brazilian GHG Protocol Program, with inventory of greenhouse gas (GHG) emissions verified by an external audit. Inline with the SDG 13, Action Against Climate Change, we offset direct and electricity emissions, making the operations Carbon Neutral.

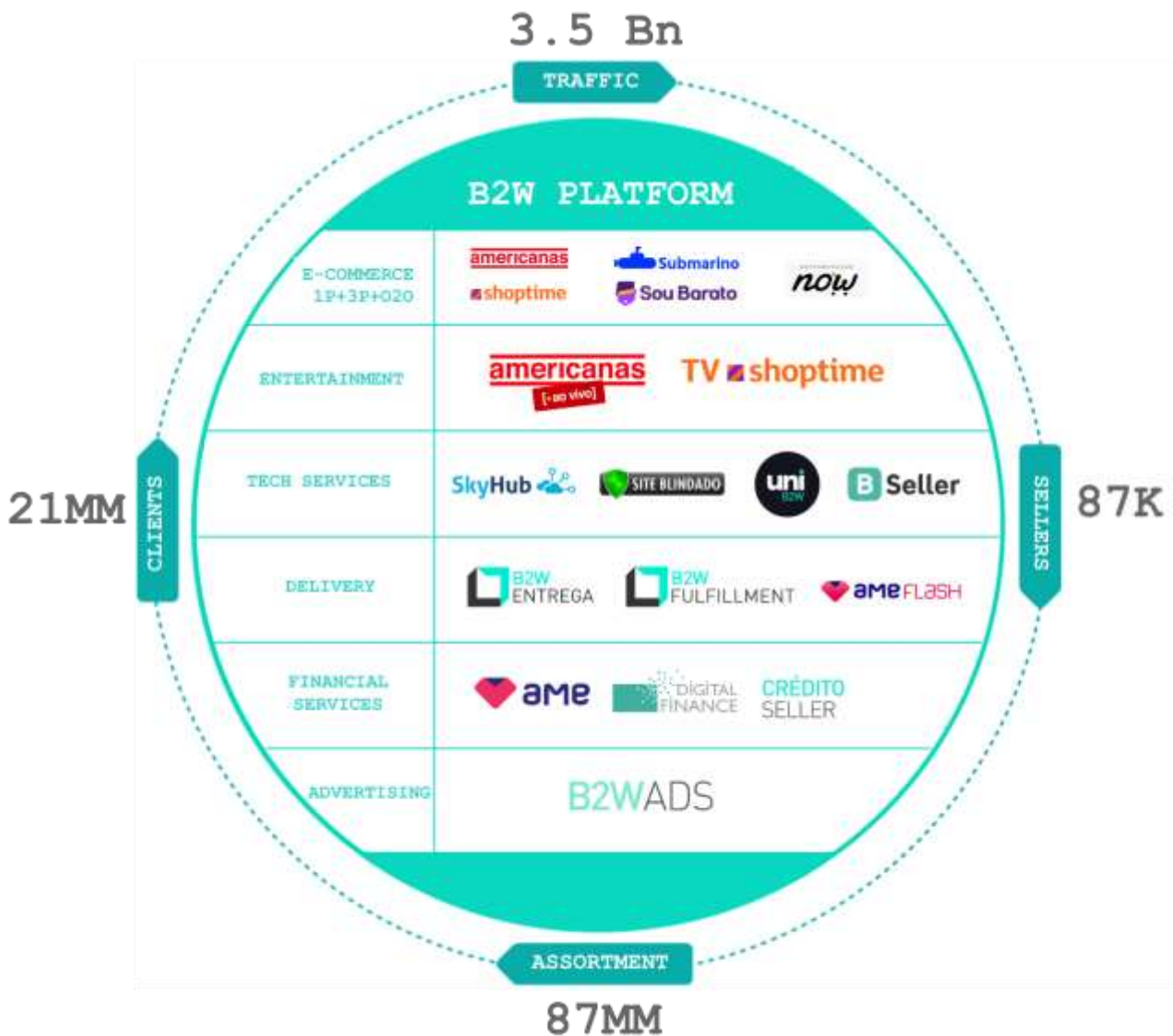


ANNEX I: ABOUT B2W DIGITAL

B2W Digital is the leader in e-commerce in Latin America and its purpose is to **CONNECT PEOPLE, BUSINESS, PRODUCTS, AND SERVICES IN A DIGITAL PLATFORM.**

The Company has the largest and most beloved Internet brands (Americanas.com, Submarino, Shoptime and Sou Barato) and a fast growing Marketplace operation. The platform built over the years allows B2W to also offer entertainment, technology services, logistics, distribution, financial services, customer service, and much more.

B2W Digital is listed on B3 S.A. (B3: BTOW3) in the Novo Mercado segment, which has the highest corporate governance standard.





ANNEX II: FINANCIAL STATEMENTS

EXCLUDING EFFECTS OF CONSOLIDATION OF B2W DIGITAL'S TRANSPORTATION SUBSIDIARIES

B2W - Companhia Digital Income Statements ¹ (in million of Brazilian reais)	Consolidated Period ended on December 31			Consolidated Period ended on December 31		
	4Q20	4Q19	Variation	2020	2019	Variation
Gross Merchandise Volume (GMV)	9,184.3	6,647.5	38.2%	27,721.1	18,777.5	47.6%
Gross Sales and Services Revenue	4,161.7	2,806.7	48.3%	12,596.1	8,357.4	50.7%
Taxes on sales and services	(831.2)	(586.6)	41.7%	(2,471.8)	(1,695.7)	45.8%
Net Sales and Services Revenue	3,330.5	2,220.1	50.0%	10,124.3	6,661.7	52.0%
Cost of goods and services sold	(2,234.9)	(1,491.7)	49.8%	(6,904.2)	(4,518.7)	52.8%
Gross Profit	1,095.6	728.4	50.4%	3,220.1	2,142.9	50.3%
<i>Gross Margin (% NR)</i>	32.9%	32.8%	0.1 p.p.	31.8%	32.2%	-0.4 p.p.
Operating Revenue (Expenses)	(863.9)	(609.5)	41.7%	(2,867.8)	(2,062.6)	39.0%
Selling expenses	(647.0)	(426.2)	51.8%	(2,049.1)	(1,358.4)	50.8%
General and administrative expenses	(62.8)	(47.9)	31.1%	(220.8)	(184.5)	19.7%
Depreciation and amortization	(154.0)	(135.4)	13.7%	(597.9)	(519.8)	15.0%
Operating Result before Net Financial Result and Equity Accounting	231.7	119.0	94.7%	352.3	80.3	338.7%
Net Financial Result	(108.1)	(137.9)	-21.6%	(430.3)	(603.9)	-28.7%
Financial revenues	84.5	130.8	-35.3%	348.6	496.9	-29.8%
Financial expenses	(192.6)	(268.6)	-28.3%	(778.8)	(1,100.8)	-29.2%
Non-controlling shareholder participation	(43.2)	(2.5)	1628.0%	(85.6)	(3.7)	2213.5%
Other operating income (expenses)	(16.9)	(6.7)	152.2%	(75.6)	(46.6)	62.2%
Income tax and social contribution	(47.9)	5.9	911.9%	35.1	182.3	-80.7%
Net Result	15.6	(22.3)	170.0%	(203.8)	(391.6)	-48.0%
<i>Net Margin (% NR)</i>	0.5%	-1.0%	1.5 p.p.	-2.0%	-5.9%	3.9 p.p.
Adjusted EBITDA	385.7	254.3	51.7%	950.2	600.1	58.3%
<i>Adjusted EBITDA Margin (% NR)</i>	11.6%	11.5%	0.1 p.p.	9.4%	9.0%	0.4 p.p.

¹Reflecting adjustments as indicated on page 15 (Annex III – About the Income Statement).

Effects of the consolidation of B2W Digital's transportation subsidiaries Digital.

NON-EXCLUDING THE CONSOLIDATION OF B2W DIGITAL'S TRANSPORTATION SUBSIDIARIES

B2W - Companhia Digital Income Statements ¹ (in million of Brazilian reais)	Consolidated Period ended on December 31			Consolidated Period ended on December 31		
	4Q20	4Q19	Variation	2020	2019	Variation
Gross Merchandise Volume (GMV)	9,184.3	6,647.5	38.2%	27,721.1	18,777.5	47.6%
Gross Sales and Services Revenue	4,161.7	2,806.7	48.3%	12,596.1	8,357.4	50.7%
Taxes on sales and services	(831.2)	(586.6)	41.7%	(2,471.8)	(1,695.7)	45.8%
Net Sales and Services Revenue	3,330.5	2,220.1	50.0%	10,124.3	6,661.7	52.0%
Cost of goods and services sold	(2,338.1)	(1,556.6)	50.2%	(7,247.3)	(4,756.4)	52.4%
Gross Profit	992.4	663.5	49.6%	2,877.0	1,905.3	51.0%
<i>Gross Margin (% NR)</i>	29.8%	29.9%	-0.1 p.p.	28.4%	28.6%	-0.2 p.p.
Operating Revenue (Expenses)	(760.7)	(544.6)	39.7%	(2,524.7)	(1,825.0)	38.3%
Selling expenses	(543.9)	(361.3)	50.5%	(1,706.0)	(1,120.8)	52.2%
General and administrative expenses	(62.8)	(47.9)	31.1%	(220.8)	(184.5)	19.7%
Depreciation and amortization	(154.0)	(135.4)	13.7%	(597.9)	(519.8)	15.0%
Operating Result before Net Financial Result and Equity Accounting	231.7	119.0	94.7%	352.3	80.3	338.7%
Net Financial Result	(108.1)	(137.9)	-21.6%	(430.3)	(603.9)	-28.7%
Financial revenues	84.5	130.8	-35.3%	348.6	496.9	-29.8%
Financial expenses	(192.6)	(268.6)	-28.3%	(778.8)	(1,100.8)	-29.2%
Non-controlling shareholder participation	(43.2)	(2.5)	1628.0%	(85.6)	(3.7)	2213.5%
Other operating income (expenses)	(16.9)	(6.7)	152.2%	(75.6)	(46.6)	62.2%
Income tax and social contribution	(47.9)	5.9	911.9%	35.1	182.3	-80.7%
Net Result	15.6	(22.3)	170.0%	(203.8)	(391.6)	-48.0%
<i>Net Margin (% NR)</i>	0.5%	-1.0%	1.5 p.p.	-2.0%	-5.9%	3.9 p.p.
Adjusted EBITDA	385.7	254.3	51.7%	950.2	600.1	58.3%
<i>Adjusted EBITDA Margin (% NR)</i>	11.6%	11.5%	0.1 p.p.	9.4%	9.0%	0.4 p.p.

¹Reflecting adjustments as indicated on page 15 (Annex III – About the Income Statement).



BALANCE SHEET

B2W - Companhia Digital		
Balance Sheet		
(in million of Brazilian reais)		
	<u>12/31/2020</u>	<u>09/30/2020</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	6,634.3	4,956.7
Marketable securities	4,411.4	3,007.6
Accounts receivable	1,838.9	1,617.1
Inventories	1,701.7	1,550.2
Recoverable taxes	685.3	781.3
Prepaid expenses and other accounts	508.3	463.6
Total Current Assets	15,779.8	12,376.5
NON CURRENT ASSETS		
Marketable Securities and other financial assets	80.6	79.0
Deferred income tax and social contribution	1,421.6	1,416.7
Recoverable taxes	1,293.7	1,213.4
Escrow deposits and other receivables	189.1	187.5
Investments	108.8	69.6
Plant, property and equipment	392.5	378.6
Intangible assets	3,094.0	3,121.5
Right of use asset	246.6	237.7
Total Non-Current Assets	6,827.0	6,704.0
TOTAL ASSETS	22,606.8	19,080.5
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
CURRENT LIABILITIES		
Suppliers	4,068.1	3,396.5
Loans and financing	429.1	874.5
Accounts payable - related parties	113.9	53.5
Debentures	1.9	-
Salaries and social contribution	75.2	103.1
Taxes payable	98.3	84.1
Deferred income tax and social contribution	4.3	1.2
Other accounts payable	449.9	440.4
Lease liability	90.4	77.2
Total Current Liabilities	5,331.1	5,030.5
NON-CURRENT LIABILITIES		
Loans and financing	6,941.9	4,141.0
Debentures	389.1	-
Provision for contingencies and other accounts payable	262.0	176.9
Lease liability	195.1	196.9
Uncovered liabilities		
Total Non-Current Liabilities	7,789.9	4,514.7
SHAREHOLDERS' EQUITY		
Capital	12,340.7	12,333.0
Advance for future capital increase	-	-
Capital reserves	47.1	22.3
Other broad results	(97.7)	-
Accumulated income (losses)	(2,804.4)	(2,820.0)
Total Shareholders' Equity	9,485.7	9,535.3
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	22,606.8	19,080.5



CASH FLOW

B2W - Companhia Digital Cash Flow Statement (in million of reais)	Consolidated		
	12/31/2020	12/31/2019	Variation
Operating Activities			
Net Result for the Period	(210.8)	(318.2)	107.4
Adjustment to the Net Result:			
Depreciation and amortization	601.8	522.7	79.1
Deferred income tax and social contribution	(43.9)	(162.2)	118.3
Interest, monetary and currency changes	247.4	523.1	(275.7)
Equity accounting	85.6	3.7	81.9
Others	(23.1)	(2.3)	(20.8)
Adjusted Net Result	657.0	566.8	90.2
Change in Working Capital:			
Accounts receivable	(859.2)	(422.5)	(436.7)
Inventories	(754.8)	(57.0)	(697.8)
Suppliers	1,165.9	595.5	570.4
Change in Working Capital:	(448.1)	116.0	(564.1)
Change in Assets:			
Prepaid expenses	3.1	1.9	1.2
Escrow deposits	(30.2)	(24.5)	(5.7)
Recoverable taxes	(97.7)	(121.8)	24.1
Other accounts receivable (current and non-current)	40.6	(86.9)	127.5
Contingency payment	(16.2)	(12.2)	(4.0)
Change in Assets:	(100.4)	(243.5)	143.1
Change in Liabilities			
Salaries and social security charges	14.5	2.5	12.0
Recoverable taxes (current and non-current)	(8.9)	49.2	(58.1)
Other liabilities (current and non-current)	57.9	129.2	(71.3)
Accounts payable/receivable (related companies)	83.7	61.4	22.3
Change in Liabilities:	147.2	242.3	(95.1)
Interest Expense on Loans and Debentures	(289.6)	(489.5)	199.9
Settlement of interest in leases	(22.0)	(23.0)	1.0
Paid Income Tax and Social Contribution	(5.6)	(11.2)	5.6
Cash Flow from Operating Activities	(61.5)	157.9	(219.4)
Investing Activities			
Marketable securities	(1,319.6)	(1,251.5)	(68.1)
Purchases of property, plant and equipment assets	(52.2)	(31.9)	(20.3)
Intangible assets	(480.1)	(411.1)	(69.0)
Capital increase in related parties	(126.9)	(27.6)	(99.3)
Value paid for the acquisition of subsidiaries	(9.7)	(1.5)	(8.2)
Cash Flow from Investing Activities	(1,988.5)	(1,723.6)	(264.9)
Financing Activities			
Funding	4,074.2	2,215.3	1,858.9
Payments	(2,856.1)	(2,679.9)	(176.2)
Payment of lease liabilities	(89.2)	(69.7)	(19.5)
Capital increase cash	4,019.9	2,516.0	1,503.9
Advance for future capital increase	-	-	-
Cash Flow from Financing Activities	5,148.8	1,981.7	3,167.1
Change in cash balance	3,098.5	415.9	2,682.6
Beginning Cash Balance	3,535.8	3,119.9	415.9
Ending Cash Balance	6,634.3	3,535.8	3,098.5



ANNEX III: ABOUT THE INCOME STATEMENT

EFFECTS ON THE CONSOLIDATION OF B2W DIGITAL'S TRANSPORTATION SUBSIDIARIES

BFF Logistics and Distribution, a subsidiary of B2W Digital, provides merchandise distribution services to the Company, generating an elimination effect in consolidated gross revenue and selling, general and administrative expenses (distribution expenses), according to the present accounting rules.

Consolidated gross profit is reduced in proportion to the positive effect observed on selling, general and administrative expenses, but no effect on Adjusted EBITDA and Adjusted EBITDA Margin.

ADJUSTED EBITDA

On October 4th, 2012, Brazilian Securities Exchange Commission (CVM) enacted Instruction 527/12, regarding the voluntary disclosure of non-accounting information such as EBITDA. The Instruction aims to standardize the disclosure, in order to improve the understanding of this information and make it comparable among publicly listed companies.

In order to maintain consistency and comparability between previous periods, we present the reconciliation of EBITDA.

In 4Q20, Adjusted EBITDA was R\$ 385.7 million. Including other non-recurring operating income and expenses and the equity income result, EBITDA, as instructed CVM 527/12 would be R\$ 325.6 million in 4Q20 (9.8% of NR). In 2020, Adjusted EBITDA was R\$ 950.2 MM. According to instruction CVM 527/12, it would be R\$ 778.4 MM in 2020 (7.7% of NR).

Consolidated EBITDA Reconciliation - R\$ MM	4Q20 Adjusted	Adjustments	4Q20	2020 Adjusted	Adjustments	2020
(=) Adjusted EBITDA	385.7	0.0	385.7	950.2	10.6	939.6
(+) Other Operating Income (Expenses)	(16.9)	-	(16.9)	(75.6)	-	(75.6)
(+) Equity Accounting	(43.2)	-	(43.2)	(85.6)	-	(85.6)
(=) EBITDA (CVM 527/12)	325.6	-	325.6	778.4	-	778.4
Income tax and social contribution	(47.9)	-	(47.9)	35.1	(3.6)	38.8
Net Result	15.6	0.0	15.6	(203.8)	7.0	(210.8)



ANNEX IV: INDEBTEDNESS

	Including FIDC Effects		Excluding FIDC Effects	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Consolidated Indebtedness - R\$ MM				
Short Term Debt	429.1	1,321.0	158.5	872.0
Short Term Debentures	1.9	0.2	1.9	0.2
Short Term Indebtedness	431.0	1,321.2	160.4	872.2
Long Term Debt	6,941.9	4,912.2	6,941.9	4,912.2
Long Term Debentures	389.1	200.0	389.1	200.0
Cash Flow Hedge Account ¹	(148.0)	-	(148.0)	-
Long Term Indebtedness	7,183.0	5,112.2	7,183.0	5,112.2
Gross Debt (1)	7,614.0	6,433.4	7,343.4	5,984.4
Cash and Equivalents	11,126.3	6,708.1	11,126.3	6,708.1
Credit Card Accounts Receivables Net of Discounts	1,778.2	710.0	1,507.5	261.0
Total Cash (2)	12,904.5	7,418.1	12,633.8	6,969.1
Net Debt (Cash) (2) - (1)	5,290.5	984.7	5,290.5	984.7
Cash Generation (Consumption) ¹	718.4	479.3	718.4	479.3
Average Maturity of Debt (days)	2,002	1,166	2,066	1,236

¹ The Company opted to adopt the Cash Flow Hedge Account methodology in the 5th debenture issue (bonds issue). In accordance with the accounting principles of this methodology, the object of the hedge is marked to market in debt at amortized cost, with a corresponding entry in Shareholders' Equity. For better comparability between periods, adjusted net debt should be considered excluding this effect.

¹ Cash generation or consumption is measured by the change in net debt compared to the previous quarter, disregarding any capital increase operations.

Accounts receivable are mainly composed of credit card receivables, net of the discounted value, which have immediate liquidity and can be considered as cash.

In December/18, the Board of Directors approved the structuring of the FIDC (Credit Card Receivables Advance Fund) with shareholders' equity of R\$ 1.1 billion. The FIDC is a unique tool in the market, representing an important source of fundraising.

THE COMPOSITION OF ACCOUNTS RECEIVABLE FROM B2W IS SHOWN IN THE FOLLOWING TABLE:

	Including FIDC Consolidation		Excluding FIDC Consolidation	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Consolidated Accounts Receivable Reconciliation - R\$ MM				
Gross Credit Cards Receivables	7,120.5	5,380.7	7,120.5	5,380.7
Discounted Receivables	(5,342.4)	(4,670.7)	(5,613.0)	(5,119.7)
Credit Card Receivables - Net of Discounted Amount	1,778.2	710.0	1,507.5	261.0
Present Value Adjustment	(13.1)	(8.2)	(13.1)	(8.2)
Allowance for Doubtful Accounts	(44.6)	(51.0)	(44.6)	(51.0)
Other Accounts Receivable	118.4	111.3	118.4	111.3
Net Accounts Receivable - Consolidated	1,838.9	762.1	1,568.3	313.2



ANNEX V: DEFINITIONS

- **Adjusted EBITDA**
Operational earnings before interest, taxes, depreciation and amortization and excluding other operational revenues/expenses and equity accounting.
- **Adjusted Gross Profit**
Gross profit excluding the effects of the consolidation of B2W Digital's transportation subsidiaries.
- **Adjusted Selling, General, and Administrative (SG&A)**
SG&A excluding the effects of the consolidation of B2W Digital's transportation subsidiaries.
- **Cash Generation (Consumption)**
As a way of capturing all the effects, cash generation or consumption is measured by the variation of net debt in relation to the previous quarter, always disregarding any resources from capital increase operations.
- **GMV (Gross Merchandise Volume)**
Sales of own merchandise, sales realized on the Marketplace, and other revenues (excluding commissions from Marketplace sales), after returns and including taxes.
- **Marketplace Participation**
Marketplace sales as a percentage of total consolidated GMV.
- **Market Share**
Total sales on B2W sites, including those made on the Marketplace, divided by total market sales (source: e-Bit).
- **Net Debt (Cash)**
Calculated as the sum of short-term and long-term indebtedness, less the sum of cash & equivalents and credit card accounts receivables (net of the discounted balance).
- **Working Capital**
Calculated as the sum of days of trade accounts receivable (using GMV as a basis) and inventory days, minus vendor days, considering GMV and CMV in the last 12 months.

INFORMATION ABOUT WEBCAST & CONFERENCE CALL

The 4Q20 and full year 2020 conference call will take place March 5, 2021 at 12:00pm BRT. Access to the call in Portuguese will be through the telephone +55 11 4210-1803 (code: B2W), with simultaneous English translation through the numbers +55 11 4210-1803 or +1 412 717-9627.

The webcast with simultaneous translation will be available at ri.b2w.digital and the replay of the conference call will be available on the website for one week.

INVESTOR RELATIONS

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